

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA
THIRD JUDICIAL DISTRICT AT ANCHORAGE

Alaska State Employees)
Association, Local 52,)
Plaintiff,)
vs.)
STATE OF ALASKA;)
DEPARTMENT OF HEALTH &)
SOCIAL SERVICES; DEPARTMENT)
OF ADMINISTRATION; OFFICE of)
GOVERNOR MICHAEL J. DUNLEAVY,)
Defendants.)

COPY
Original Received

APR 15 2019

Clerk of the Trial Courts

Case No. 3AN-19- 06327 CI

AFFIDAVIT OF JAKE METCALFE

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

I, Jake Metcalfe, being first duly sworn, state as follows:

1. I am the Executive Director for the Alaska State Employees Association, Local 52 ("Union"). The ASEA is a labor organization that represents public employees in Alaska, including at least 211 employees who currently work at the Alaska Psychiatric Institute ("API").

2. I am familiar with the Collective Bargaining Agreement ("CBA") between the State of Alaska and the Union. The CBA is

1 effective from July 1, 2016 until June 30, 2019. The State of
2 Alaska, through its negotiators, and the Union agreed on and
3 ratified a new collective bargaining agreement that will go into
4 effect on July 1, 2019 ("Ratified CBA"). The Ratified CBA is
5 currently awaiting funding approval from the Alaska Legislature.
6

7 3. The CBA contains certain rules regarding the procedure
8 applicable when the State of Alaska decides to contract out for
9 Union positions. This procedure is described in Article 13 of
10 the CBA. The Ratified CBA includes similar language, with
11 slight changes to Article 13, Section 13.01 B, which provides,
12 in part that if the State of Alaska is considering contracting
13 out, the State of Alaska will meet with the Union to discuss the
14 need to conduct a feasibility study. If the parties cannot
15 agree, and the Union does not waive its right to a feasibility
16 study, the State of Alaska can only contract out after it
17 conducts a written feasibility study.
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19 4. The State of Alaska failed to complete a feasibility
20 study pursuant to Article 13 of the CBA with respect to its
21 contract and intent to contract with Wellpath Recovery
22 Solutions, LLC ("Wellpath"). In fact, the State of Alaska
23 provided very little information to me regarding its intent to
24 contract with Wellpath. Executives within the Department of
25

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1 Health and Social Services ("DHSS") at the State of Alaska,
2 including Deputy Commissioner Albert Wall, did not return phone
3 calls and emails.

4 5. On February 7, 2019, I emailed Deputy Commissioner
5 Wall because of the rumors I heard regarding the State of
6 Alaska's intent to privatize API, and informed him that the
7 State of Alaska had failed to satisfy its obligations under the
8 CBA. The State of Alaska confirmed its intent to privatize on
9 February 8, 2019. Deputy Commissioner Wall confirmed this to me
10 over the phone prior to the official announcement and press
11 conference regarding contract with Wellpath ("Wellpath
12 Contract"). During that phone conversation, I told Deputy
13 Commissioner Wall that the Wellpath Contract violated the CBA
14 because the State of Alaska failed to satisfy Article 13 of the
15 CBA, including by failing to provide a feasibility study related
16 to privatization. Since that time, I have been told over the
17 phone and in emails that the State of Alaska intends to procure
18 funds and then arrange for a feasibility study. That study has
19 not yet been completed. It is not clear when or if the study
20 will be completed and provided to the Union. I have repeatedly
21 asked about a timeline for the feasibility study. No one has
22 provided any firm date for the study.
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1 6. Besides promising to provide the feasibility study,
2 the State of Alaska, through Deputy Commissioner Wall, has also
3 informed me that internal deadlines to the Wellpath Contract are
4 being pushed back. This includes the original April 2019
5 Wellpath Contract deadline. That deadline is now pushed to June
6 15, 2019. The date for full privatization of API has been
7 pushed to September 1, 2019. I was told these date changes were
8 necessary to ensure that the State of Alaska provides the Union
9 a feasibility study. But even so, the State of Alaska will not
10 comply with the CBA or the Ratified CBA, as Wellpath continues
11 to move toward privatization, including by engaging in the
12 activities described in the API "High Level Transition Timeline:
13 Milestones," and by hiring Wellpath employees to fill Union
14 bargaining unit positions before the date to make the hospital
15 fully privatized under the Wellpath Contract. Additionally,
16 Union members report to me daily that they receive contradictory
17 and misleading statements from Wellpath and State of Alaska
18 executive employees, and are in a state of flux regarding their
19 employment and the security of their jobs.
20
21

22 7. If this Court does not issue an injunction related to
23 the Wellpath Contract, members of the Union who take jobs with
24 Wellpath will cease their membership with the Union. Many Union
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1 members have informed me and others that they intend to quit
2 working at API if Wellpath takes over permanently. These
3 members include several employees who have worked at API for
4 over ten years. This loss of institutional knowledge will be
5 devastating for API and for the Union. In fact, the loss of
6 members will make the submission of an alternate plan under the
7 CBA almost impossible if and when the State of Alaska arranges
8 for and then provides the feasibility study.

10 8. Following the announcement in February 2019 regarding
11 the State of Alaska's Wellpath Contract, the Union filed a
12 grievance with the State of Alaska. The State of Alaska delayed
13 in striking arbitrators. The Union and the State of Alaska just
14 recently settled on a tentative grievance hearing date for June
15 17, 2019. That hearing will not resolve the issues with the
16 State of Alaska. Without a court order enjoining the State of
17 Alaska and Wellpath from further actions in violation of the
18 CBA, the Union will never be made whole. For example, if
19 Wellpath continues to fill Union positions and negotiates with
20 current Union employees, securing their employment at Wellpath,
21 the Union will not be able to submit a viable alternate plan, as
22 allowed by the CBA and the Ratified CBA. The grievance process
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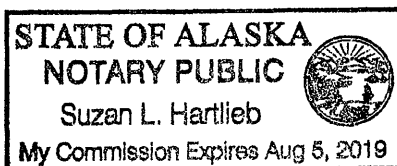
1 will resolve sometime this summer after the June 15, 2019
2 internal deadline in the Wellpath Contract.


3 9. Article 13 of the CBA provides important Union rights
4 for which the Union contracted. This includes the right to a
5 feasibility study if the State of Alaska decides to privatize,
6 the right to submit an alternate plan, and the right to receive
7 fair consideration for the alternate plan. The Union will not
8 receive fair consideration if Wellpath and the State of Alaska
9 continue to move toward privatization and Wellpath becomes more
10 entrenched at API by changing policies, providing training,
11 negotiating contracts, and transitioning services from DHSS to
12 Wellpath.
13

14 FURTHER THIS AFFIANT SAYETH NAUGHT.
15

16
17 
18 Jake Metcalfe

19 SUBSCRIBED AND SWORN to before me this 15th day of April
20 2019, at Anchorage, Alaska.



25 
26 Notary Public for the State of Alaska
My Commission Expires: 08.05.19